103D CONGRESS 1ST SESSION

S. 1139

To provide for reform of environmental contracting, and for other purposes.

IN THE SENATE OF THE UNITED STATES

June 22, 1993

Mr. Lautenberg introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To provide for reform of environmental contracting, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the "Responsible Environ-
- 5 mental Management Act of 1993".
- 6 SEC. 2. FINDINGS.
- 7 (a) FINDINGS.—Congress finds that—
- 8 (1) the Environmental Protection Agency relies
- 9 heavily on outside contractors to provide necessary
- support services throughout all of the program of-

- fices of the Agency in order to achieve the environmental protection mission of the Agency;
 - (2) numerous audits and reports by the Inspector General of the Agency and the General Accounting Office over the 10-year period preceding the date of enactment of this Act have uncovered pervasive problems of mismanagement of the contract, fiscal, and information systems programs of the Agency;
 - (3) the contract mismanagement problems of the Agency have led to improper conflicts of interest, performance of personal services and inherently governmental functions by contractors, and large-scale waste, fraud, and abuse; and
 - (4) the fiscal and information systems mismanagement problems of the Agency have potentially cost taxpayers hundreds of millions of dollars and have crippled the ability of the Agency to make sound, reasoned, and informed decisions about the appropriate conduct of the environmental protection programs of the Agency.
 - (b) Purposes.—The purposes of this Act are to—
 - (1) provide better accountability within the Agency in order to improve the management of the contract, fiscal, and information systems programs of the Agency; and

1	(2) increase sanctions on contractors who seek
2	reimbursement for unallowable costs.
3	SEC. 3. DEFINITIONS.
4	As used in this Act:
5	(1) Administrator.—The term "Adminis-
6	trator" means the Administrator of the Environ-
7	mental Protection Agency.
8	(2) Advisory and assistance services.—
9	The term "advisory and assistance services"—
10	(A) means services to support or im-
11	prove—
12	(i) agency policy development, deci-
13	sionmaking, management, and administra-
14	tion; or
15	(ii) the operation of management sys-
16	tems; and
17	(B) includes—
18	(i) management and professional sup-
19	port services;
20	(ii) the conduct of studies, analyses
21	and evaluations; and
22	(iii) engineering and technical serv-
23	ices.
24	(3) AGENCY.—The term "Agency" means the
25	Environmental Protection Agency

1	(4) COVERED CONTRACT.—The term "covered
2	contract" means a contract for an amount in excess
3	of \$1,000,000, other than a fixed-price contract
4	without cost incentives, entered into by the Agency.
5	(5) RESPONSE ACTION CONTRACT.—The term
6	"response action contract" has the meaning provided
7	in section 119(e)(1) of the Comprehensive Environ-
8	mental Response, Compensation, and Liability Act
9	of 1980 (42 U.S.C. 9619(e)(1)).
10	(6) Umbrella contract.—The term "um-
11	brella contract" means a contract by the appropriate
12	official of the Agency that—
13	(A) provides for the performance of spe-
14	cific advisory and assistance services;
15	(B) does not procure or specify a firm
16	quantity of services;
17	(C) provides for services to be supplied to
18	the Federal Government in response to specific
19	task orders to the contractor from the Federal
20	Government;
21	(D) requires the contractor to provide a
22	stated amount of effort over a given period of
23	time (commonly referred to as a "level of effort
24	contract");

1	(E) has a maximum potential value, in-
2	cluding any options, of at least \$1,000,000; and
3	(F) has a maximum potential period of
4	performance, including any options, that is
5	longer than 1 year.
6	SEC. 4. CONTRACT COSTS.
7	The Office of Federal Procurement Policy Act (41
8	U.S.C. 401 et seq.) is amended by adding at the end the
9	following new section:
10	"SEC. 29. INDIRECT COSTS UNDER ENVIRONMENTAL PRO-
11	TECTION AGENCY CONTRACTS.
12	"(a) Definition.—As used in this section, the term
13	'covered contract' means an Environmental Protection
14	Agency contract for an amount in excess of \$1,000,000,
15	other than a fixed-price contract without cost incentives.
16	"(b) Costs Disallowed.—If—
17	"(1) a contractor under a covered contract sub-
18	mits a proposal for settlement of indirect costs in-
19	curred by the contractor for any period beginning
20	after the costs have been accrued; and
21	"(2) the proposal includes the submission of a
22	cost that is unallowable because the cost is in viola-
23	tion of—
24	"(A) a cost principle in the Federal Acqui-
25	sition Regulation promulgated under section 25

1	or in the Environmental Protection Agency sup-
2	plement to the Federal Acquisition Regulation,
3	or
4	"(B) any other provision of law,

(B) any other provision of law,

the cost shall be disallowed.

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"(c) Administrative Penalties.—

"(1) Unallowable costs in settlement PROPOSALS.—

"(A) IN GENERAL.—If the Administrator determines that a cost submitted by a contractor under a covered contract in the proposal of the contractor for settlement is expressly unallowable under a cost principle referred to in subsection (b)(2)(A) that defines the allowability of specific selected costs, the Administrator of the Environmental Protection Agency may assess a penalty against the contractor in an amount equal to the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted, plus interest to compensate the United States for the use of any funds that the contractor has claimed in excess of the amount to which the contractor was entitled.

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"(B) INCREASED PENALTY.—If the Administrator of the Environmental Protection Agency determines that a proposal for settlement of indirect costs submitted by a contractor under a covered contract includes a cost determined to be unallowable in the case of the contractor before the submission of the proposal, the Administrator may assess a penalty against the contractor in an amount not to exceed twice the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted, plus interest to compensate the United States for the use of any funds that the contractor has claimed in excess of the amount to which the contractor was entitled.

"(2) Interim claim penalty.—If, before completing performance of a covered contract, the contractor submits for payment allocated to the contract an unallowable cost that is described in subsection (e) and that would provide a basis for penalizing the contractor under paragraph (1) if it were submitted in a proposal for settlement of indirect costs, the Administrator may assess a penalty against the contractor in the amount of \$50,000.

"(3) Liability.—A person who has been assessed a penalty under paragraph (1)(A) shall not be liable for a penalty under paragraph (1)(B) for the same unallowable cost. A person who has been assessed a penalty under paragraph (1)(B) shall not be liable for a penalty under paragraph (1)(A) for the same unallowable cost. A person who has been assessed a penalty under paragraph (2) shall not be liable for a penalty under paragraph (1) for the same unallowable cost. A person who has been assessed a penalty under paragraph (1) for an unallowable cost that is described in subsection (e) may be liable for a penalty under paragraph (2) for the same unallowable cost.

"(4) Procedures.—

"(A) Notice.—Before assessing a penalty under paragraph (2), the Administrator shall give the contractor written notice of the proposed penalty and an opportunity to request, during the 30-day period beginning on the date notice is received by the contractor, a hearing on the proposed penalty assessment. The hearing shall not be subject to section 554 or 556 of title 5, United States Code, but shall provide

1	the contractor a reasonable opportunity to be
2	heard and to present evidence.
3	"(B) Hearings.—The Administrator may
4	issue rules governing discovery procedures for
5	hearings conducted pursuant to this paragraph.
6	"(d) Calculation of Penalties and Interest.—
7	"(1) Penalties.—In determining the appro-
8	priate amount of a penalty under subsection (c), the
9	Administrator may consider—
10	"(A) whether the contractor withdraws a
11	proposal before the formal initiation of an audit
12	of the proposal by the Federal Government and
13	submits a revised proposal that does not con-
14	tain any cost that provides a basis for penaliz-
15	ing the contractor under subsection (c);
16	"(B) whether the amount of unallowable
17	costs that provide a basis for penalizing the
18	contractor is insignificant;
19	"(C) whether the contractor demonstrates,
20	to the satisfaction of the Administrator, that-
21	"(i) the contractor has established
22	policies, a personnel training program, and
23	an internal control and review system that
24	ensures that proposals for settlement of in-
25	direct costs of the contractor do not in-

1	clude unallowable costs that provide a
2	basis for penalizing the contractor under
3	subsection (c); and
4	"(ii) the unallowable costs that pro-
5	vide a basis for penalizing the contractor
6	under subsection (c) were inadvertently in-
7	cluded in the proposal; and
8	"(D) any previous instances with respect
9	to which the contractor has submitted claims
10	for unallowable costs under any contract with
11	the Environmental Protection Agency.
12	"(2) Interest with respect to unal-
13	lowable costs claimed by a contractor shall be com-
14	puted from the first day of the contractor's fiscal
15	year in which the costs were incurred.
16	"(e) Costs Specifically Unallowable.—The
17	following costs are not allowable costs under a covered
18	contract:
19	"(1) Any cost of entertainment, a gift, or recre-
20	ation for an employee of the contractor or a member
21	of the family of the contractor provided by the con-
22	tractor to improve employee morale or performance,
23	or for any other purpose, in any amount, except that
24	nothing in this section precludes a contractor from

1	providing the entertainment, gift, or recreation at no
2	expense to the Federal Government.
3	"(2) Any cost of travel, unless—
4	"(A) the cost is allowable under section 24;
5	and
6	"(B) the cost is supported by detailed doc-
7	umentation, including documentation with re-
8	spect to—
9	"(i) the amount, time, date, origin,
10	and destination of the travel and the pur-
11	pose of the travel; and
12	"(ii) with respect to each traveler, the
13	identity of the traveler and the title or re-
14	lationship of the traveler to the contractor.
15	"(f) ACTIONS BY THE ADMINISTRATOR.—An action
16	of the Administrator under subsection (b) or (c) shall be
17	considered a final decision for purposes of section 6 of the
18	Contract Disputes Act of 1978 (41 U.S.C. 605) and shall
19	be appealable in the manner provided in section 7 of such
20	Act (41 U.S.C. 606).
21	"(g) Certification.—
22	"(1) In general.—A proposal for settlement
23	of indirect costs applicable to a covered contract
24	shall include a certification by an official of the con-
25	tractor that, to the best of the knowledge of the cer-

tifying official, all indirect costs included in the pro-posal are allowable.

"(2) WAIVER OF CERTIFICATION REQUIRE-MENT.—In any case in which the Administrator of the Environmental Protection Agency determines that there are exceptional circumstances with respect to a covered contract, the Administrator may waive the requirement for certification under paragraph (1) if the Administrator—

"(A) determines that it would be in the interest of the United States to waive the determination; and

"(B) states in writing the reasons for the determination and makes the determination available to the public.

"(h) JUDICIAL ASSESSMENT.—

"(1) IN GENERAL.—If a proposal for settlement of indirect costs submitted by a contractor under a covered contract includes a cost determined by the Administrator to be unallowable, the Administrator may request the Attorney General to bring an action in the United States district court for the appropriate district. In any such case, the district court may assess a penalty in an amount not to exceed

- 1 \$250,000 for each cost determined by the Adminis-
- 2 trator to be unallowable.
- 3 "(2) Liability.—A person who has been as-
- 4 sessed an administrative penalty under subsection
- 5 (c) shall not be liable for a civil penalty under this
- 6 subsection for the same unallowable cost.
- 7 "(i) Criminal Penalties.—A person who with the
- 8 knowledge that a cost that is expressly specified as unal-
- 9 lowable by law (including any regulation) submits to the
- 10 Environmental Protection Agency a proposal for settle-
- 11 ment of costs for any period beginning after the costs have
- 12 been accrued that includes the cost shall be subject to sec-
- 13 tion 287 of title 18, United States Code, and section 3729
- 14 of title 31, United States Code.
- 15 "(j) Burden of Proof in Proceedings.—In a
- 16 proceeding before a board of contract appeals, the United
- 17 States Court of Federal Claims, or any other court of the
- 18 United States in which the allowability of indirect costs
- 19 for which a contractor seeks reimbursement from the En-
- 20 vironmental Protection Agency is in issue, the burden of
- 21 proof shall be upon the contractor to establish that the
- 22 costs are allowable.
- 23 "(k) Documentation of Costs.—For the purposes
- 24 of this section, costs shall be allowable only to the extent

1	that the costs are supported by sufficient documentation
2	to permit an appropriate audit.".
3	SEC. 5. UMBRELLA CONTRACTS FOR ADVISORY AND AS-
4	SISTANCE SERVICES.
5	(a) Limitation on Entering Umbrella Con-
6	TRACT.—The appropriate official of the Agency may enter
7	into an umbrella contract only under the following condi-
8	tions:
9	(1) The period covered by the contract, includ-
10	ing any options, does not exceed—
11	(A) 5 years;
12	(B) in the case of a response action con-
13	tract, 10 years; or
14	(C) such longer period as may be specified
15	by the Administrator if the Administrator de-
16	termines that unusual and compelling cir-
17	cumstances justify an umbrella contract for a
18	longer period.
19	(2) The contract is awarded pursuant to com-
20	petitive procedures, as defined in section 309(b) of
21	the Federal Property and Administrative Services
22	Act of 1949 (41 U.S.C. 259(b)), except for proce-
23	dures described in paragraphs (2), (3), and (5) of
24	such section, unless the Administrator determines in
25	writing that—

- (A) the services to be procured under the contract are available from only one responsible source and no other type of services will satisfy the needs of the Agency; or
 - (B) the need of the Agency for the services to be provided under the contract is of such an unusual and compelling urgency that the Federal Government would be seriously injured unless the Administrator is permitted to limit the number of sources from which the Administrator solicits bids or proposals.
 - (3) The contract does not authorize the contractor to procure items on behalf of the Federal Government, other than items that are procured under response action contracts referred to in paragraph (1)(B) for the performance of the contract and all right, title, and interest in the items vests in the Federal Government.

(b) Prohibition of Contract Shopping.—

(1) LIMITATION.—A task order may be made under an umbrella contract awarded by the appropriate official of the Agency only to carry out the mission of the office, function, or program of the appropriate official of the Agency that requested the umbrella contract.

1	(2) WAIVER.—The Administrator (or a designee
2	who is an officer of the Agency at or above the level
3	of the senior procurement executive of the Agency
4	designated pursuant to section 16(3) of the Office of
5	Federal Procurement Policy Act (41 U.S.C. 414(3))
6	may waive the application of the limitation described
7	paragraph (1) to a task order if the Administrator
8	(or a designee) determines in writing that—
9	(A) the task order is within the scope of
10	the umbrella contract;
11	(B) there is an identifiable emergency or
12	other urgent requirement that cannot be met by
13	other means; and
14	(C) there is no other contract available to
15	the appropriate official of the office seeking the
16	waiver that is suitable for the task order.
17	(3) APPLICATION.—Paragraphs (1) and (2) do
18	not apply to any contract that the Administrator
19	designates, before the award of the contract, as
20	being available for procurement with respect to more
21	than one office, function, or program of the Agency.
22	(c) Follow-On Competition.—Each statement of
23	work in an umbrella contract awarded by the appropriate

 $\,$ 24 $\,$ official of the Agency shall be drafted in such manner as

25 to ensure full and open competition (as defined in section

- 1 4(6) of the Office of Federal Procurement Policy Act (41
- 2 U.S.C. 403(6)) of the contract that results from, com-
- 3 pletes, or supplements the work performed under the um-
- 4 brella contract.

(d) Subcontractors.—

- (1) IDENTIFICATION OF SUBCONTRACTORS.—
 Except in the case of a response action contract, any solicitation for an umbrella contract awarded by the appropriate official of the Agency shall require that each offeror identify in each proposal all prospective subcontractors and the qualifications of the subcontractors.
 - (2) RESTRICTION ON ELIGIBILITY FOR SUB-CONTRACTS.—A person who is not identified as a prospective contractor in accordance with paragraph (1) by the prime contractor for an umbrella contract awarded by the appropriate official of the Agency shall not be eligible to perform any task order as a subcontractor under the umbrella contract.

(3) Waiver.—

(A) IN GENERAL.—The Administrator (or a designee who is an officer of the Agency at or above the level of the senior procurement executive of the Agency designated pursuant to section 16(3) of the Office of Federal Procure-

1	ment Policy Act (41 U.S.C. 414(3)) may waive
2	the application of the restriction described in
3	paragraph (2) to a task order if the Adminis-
4	trator (or a designee) determines in writing
5	that because of unusual circumstances with re-
6	spect to the contract the waiver is in the inter-
7	est of the Federal Government.
8	(B) Unusual circumstances de-
9	FINED.—As used in subparagraph (A), the
10	term "unusual circumstances" means—
11	(i) insolvency, nonresponsibility, sus-
12	pension, or debarment of each subcontrac-
13	tor identified pursuant to paragraph (1)
14	that is qualified to perform a task order
15	for which the waiver is granted;
16	(ii) a lack of any technical skills nec-
17	essary to perform the task orders for which
18	the waiver is granted, by each subcontrac-
19	tor identified pursuant to paragraph (1);
20	(iii) other circumstances similar to the
21	circumstances referred to in clauses (i) and
22	(ii); or
23	(iv) any unusual or compelling ur-
24	gency determined by the Administrator as
25	appropriate.

1	(4) Competition.—In any case in which the
2	Administrator or a designee of the Administrator
3	grants a waiver under paragraph (3), the award by
4	the prime contractor to the subcontractor of a sub-
5	contract to perform a task for which the waiver is
6	granted shall be made on a competitive basis unless
7	the written determination of the Administrator (or a
8	designee) under paragraph (3)—
9	(A) approves a noncompetitive award; and
10	(B) includes a finding that—
11	(i) an emergency exists; or
12	(ii) no other qualified source is rea-
13	sonably available.
14	(e) Contract Approval.—A contract for procure-
15	ment under this section for goods or services (or both)
16	in an amount that exceeds \$50,000,000 shall be approved
17	only by the Administrator.
18	SEC. 6. INFORMATION SYSTEMS COORDINATION.
19	(a) ESTABLISHMENT.—The Administrator shall ap-
20	point a Deputy Assistant Administrator for Information
21	Systems Coordination (referred to in this section as the
22	"Deputy Assistant Administrator") to serve in the Office
23	of Administration and Resources Management of the
24	Agency. The Deputy Assistant Administrator shall report

- 1 directly to the Assistant Administrator for Administration
- 2 and Resources Management.
- 3 (b) DUTIES OF THE DEPUTY ASSISTANT ADMINIS-
- 4 TRATOR.—At a minimum, the Deputy Assistant Adminis-
- 5 trator shall carry out the following duties and responsibil-
- 6 ities:

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- 7 (1) Ensure that the information systems of the 8 Agency are efficiently and effectively managed and 9 coordinated to achieve the goals and accomplish the 10 missions of the Agency.
 - (2) Ensure that the information systems of the Agency are designed and operated to provide for accurate and complete reporting and evaluation of accomplishments and efforts of programs of the Agency.
 - (3) Ensure that the information systems of the Agency are designed, acquired, and managed in the most cost-effective manner practicable, and are made consistent with all applicable laws, including section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759).
 - (4) Ensure, in coordination with the Chief Financial Officer of the Agency, that the information systems of the Agency compile and provide for all Agency programs—

1	(A) accurate, reliable, and complete finan-
2	cial statements; and
3	(B) other financial, accounting, asset man-
4	agement and related program performance
5	data.
6	(5) Maximize the effectiveness of the informa-
7	tion systems capabilities of the Agency by—
8	(A) developing and issuing appropriate
9	policies and guidelines;
10	(B) providing frequent and comprehensive
11	training opportunities for management and
12	staff level employees; and
13	(C) assisting and advising senior officials
14	within the Agency concerning properly manag-
15	ing information systems programs to the fullest
16	capabilities of the systems.
17	(6) Develop and implement appropriate meas-
18	ures to encourage efficiency and improvements in in-
19	formation systems management within the Agency.
20	SEC. 7. OFFICE OF SUPERFUND CONTRACT INTEGRITY.
21	(a) ESTABLISHMENT.—The Administrator shall es-
22	tablish within the Office of Solid Waste and Emergency
23	Response of the Environmental Protection Agency an Of-
24	fice of Superfund Contract Integrity (referred to in this
25	section as the "Office"). The Office shall be headed by

1	a Director. The Director shall report directly to the Assist-
2	ant Administrator for Solid Waste and Emergency
3	Response.
4	(b) DUTIES OF THE DIRECTOR.—At a minimum, the
5	Director shall carry out the following duties and respon-
6	sibilities:
7	(1) Ensure that contracts made by the Agency
8	relating to the Comprehensive Environmental Re-
9	sponse, Compensation, and Liability Act of 1980 (42
10	U.S.C. 9601 et seq.) (referred to in this section as
11	"Superfund contracts") are effectively managed by
12	the Agency, in particular with regard to—
13	(A) ensuring program management costs
14	are kept to a minimum;
15	(B) eliminating unnecessary excess con-
16	tractor capacity;
17	(C) controlling the charging, reviewing,
18	and payment of direct and indirect contractor
19	costs;
20	(D) monitoring costs incurred to ensure
21	the allowability, allocability, and reasonableness
22	of costs claimed and the integrity of contract
23	implementation;
24	(E) incorporating sufficiently detailed work
25	specifications:

1	(F) overseeing contractor performance in
2	accordance with specific, objective standards
3	and criteria;
4	(G) implementing incentives to identify
5	and prevent waste, fraud, and abuse; and
6	(H) initiating other appropriate mecha-
7	nisms to improve the management accountabil-
8	ity of the Agency and enhance the quality and
9	cost effectiveness of functions contracted for
10	outside the Agency.
11	(2) Ensure that inherently governmental func-
12	tions critical to the operation of the Agency are not
13	performed by persons who enter into Superfund con-
14	tracts (referred to in this section as "Superfund con-
15	tractors"), and determine whether functions that are
16	not inherently governmental in nature should never-
17	theless be performed by the Agency rather than
18	Superfund contractors.
19	(3) Ensure that personal services are not im-
20	properly provided by Superfund contractors.
21	(4) Ensure that Superfund contractors do not
22	have unauthorized access to confidential business or

other sensitive information.

1 (5) Ensure that the Agency is adequately protected against Superfund contractor conflicts of interest.

(c) Report.—

- (1) In General.—Not later than January 1, 1995, and annually thereafter, the Assistant Administrator for Solid Waste and Emergency Response shall transmit to the Committee on Environment and Public Works and the Committee on Governmental Affairs of the Senate, and the Committee on Energy and Commerce and the Committee on Government Operations of the House of Representatives, a report for the preceding fiscal year that identifies specific measures and actions taken to monitor and carry out each of the duties and responsibilities listed in subsection (b).
 - (2) CONTENTS OF REPORT.—The report shall—
 - (A) identify any audits, reports, or investigations completed by the Office of Inspector General of the Agency during the preceding fiscal year, including the annual audit conducted pursuant to section 111(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611(k)),

1	that address in any way issues related to
2	Superfund contract management;
3	(B) describe the concrete steps taken and
4	the progress made by the Agency to resolve any
5	issues and recommendations identified by the
6	Office of Inspector General of the Agency under
7	the audits, reports, or investigations referred to
8	in subparagraph (A); and
9	(C) identify initiatives taken and results
10	achieved during the preceding fiscal year to im-
11	prove the overall quality of Superfund contract
12	management by the Agency.
13	SEC. 8. EFFECTIVE DATES; LIMITATIONS ON APPLICATION
14	OF AMENDMENTS.
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15	(a) Effective Date.—
	(a) Effective Date.— (1) In general.—Except as provided in para-
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15 16	(1) In general.—Except as provided in para-
15 16 17	(1) IN GENERAL.—Except as provided in paragraph (2), this Act and the amendments made by
15 16 17 18	(1) IN GENERAL.—Except as provided in paragraph (2), this Act and the amendments made by this Act shall become effective on the date that is
15 16 17 18 19	(1) In GENERAL.—Except as provided in paragraph (2), this Act and the amendments made by this Act shall become effective on the date that is 180 days after the date of enactment of this Act.
15 16 17 18 19 20	(1) In General.—Except as provided in paragraph (2), this Act and the amendments made by this Act shall become effective on the date that is 180 days after the date of enactment of this Act. (2) Regulations.—Section 9 shall become ef-
15 16 17 18 19 20 21	 (1) In General.—Except as provided in paragraph (2), this Act and the amendments made by this Act shall become effective on the date that is 180 days after the date of enactment of this Act. (2) Regulations.—Section 9 shall become effective on the date of enactment of this Act.
15 16 17 18 19 20 21 22	(1) In General.—Except as provided in paragraph (2), this Act and the amendments made by this Act shall become effective on the date that is 180 days after the date of enactment of this Act. (2) Regulations.—Section 9 shall become effective on the date of enactment of this Act. (b) Limitation on Application.—This Act and the

1	(1) a task added on or after the effective date
2	to a contract entered into before the effective date;
3	(2) an order made on or after the effective date
4	under a contract entered into before the effective
5	date; and
6	(3) a contract that is extended, or for which an
7	option to renew is exercised, on or after the effective
8	date.
9	SEC. 9. REGULATIONS.

Not later than 120 days after the date of enactment of this Act, the Administrator shall promulgate regulations to implement this Act and the amendments made by this Act in final form. The regulations shall be consistent with section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421).

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